



***Substitute Senate Bill No. 356***

***Public Act No. 21-48***

***AN ACT ESTABLISHING AN ENERGY EFFICIENCY RETROFIT  
GRANT PROGRAM FOR AFFORDABLE HOUSING.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. (NEW) (*Effective from passage*) (a) Not later than September 1, 2021, the Department of Energy and Environmental Protection shall, using available federal or other funds, establish an energy efficiency retrofit grant program. The Commissioner of Energy and Environmental Protection may receive funds from the federal government, corporations, associations or individuals to fund the grant program. Such program shall award grants to fund the installation of energy efficient upgrades to (1) affordable housing, as defined in section 8-39a of the general statutes, including, but not limited to, property of a housing authority, as defined in section 8-39 of the general statutes, or (2) other dwelling units owned by a landlord, as defined in section 47a-1 of the general statutes, at the discretion of the commissioner. Such upgrades shall include energy efficiency and weatherization measures and may include, but need not be limited to, the installation of rooftop solar photovoltaic panels, energy storage systems located on the customer's premises, electric vehicle charging infrastructure, heat pumps and balanced ventilation, and the mitigation of health and safety hazards including, but not limited to, gas leaks, mold, vermiculite and asbestos, lead and radon, to the extent such hazards impede the

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installation of energy efficiency upgrades and weatherization measures.

(b) The Department of Energy and Environmental Protection shall develop standards for the energy efficiency retrofit grant program. The department may consult with other state agencies, quasi-public agencies and housing authorities, and shall consider the energy performance standards developed pursuant to section 16a-38 of the general statutes, in establishing the standards for the grant program. The department may coordinate with other state agencies, quasi-public agencies and housing authorities to implement the grant program in conjunction with other existing state programs that have the purpose of installing or otherwise assisting state residents to obtain the upgrades set forth in subsection (a) of this section. The department may retain consultants with expertise in energy efficiency retrofit programs or distributed energy programs, or both, for assistance with its development or administration of the grant program.

(c) A grant applicant shall submit an application to the Commissioner of Energy and Environmental Protection on forms prescribed by the commissioner, which shall include, but not be limited to: (1) A description of the proposed project; (2) an explanation of the expected benefits of the project in relation to the purposes of this section; (3) information concerning the financial and technical capacity of the applicant to undertake the proposed project; (4) a project budget; and (5) any other information deemed necessary by the commissioner. The commissioner shall prioritize grants to applicants who (A) use the services of local contractors who pay the prevailing wage and who make good faith efforts to hire, or cause to be hired, available and qualified minority business enterprises, as defined in section 4a-60g of the general statutes, and (B) upgrade affordable housing or dwelling units for households that include an individual who qualifies for utility financial hardship programs or who receives means-tested assistance administered by the state or federal government.

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(d) Not later than January 1, 2023, and annually thereafter, the Commissioner of Energy and Environmental Protection shall submit a report, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committees of the General Assembly having cognizance of matters relating to energy and technology and housing. Such report shall include the standards developed pursuant to subsection (b) of this section, an analysis of the scope of residences able to be served by the grant program and proposed goals for the annual percentage of affordable housing units that can be served by the program.

Sec. 2. Subdivision (2) of subsection (b) of section 16-244z of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(2) On and after January 1, 2022, each electric distribution company shall offer the following options to residential customers for the purchase of products generated from a Class I renewable energy source that is located on a customer's own premises and has a nameplate capacity rating of twenty-five kilowatts or less for a term not to exceed twenty years: (A) A tariff for the purchase of all energy and renewable energy certificates on a cents-per-kilowatt-hour basis; and (B) a tariff for the purchase of any energy produced and not consumed in the period of time established by the authority pursuant to subparagraph (C) of subdivision (1) of this subsection and all renewable energy certificates generated by such facility on a cents-per-kilowatt-hour basis. A residential customer shall select either option authorized pursuant to subparagraph (A) or (B) of this subdivision, consistent with the requirements of this section. Such generation projects shall be sized so as not to exceed the load at the customer's individual electric meter or, in the case of a multifamily dwelling that qualifies under this subsection, the load of the premises, from the electric distribution company providing service to such customer, as determined by such electric

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distribution company. For purposes of this section, "residential customer" means a customer of a single-family dwelling, [or] a multifamily dwelling consisting of two to four units, or a multifamily dwelling consisting of five or more units, provided in the case of a multifamily dwelling consisting of five or more units, (i) not less than sixty per cent of the units of the multifamily dwelling are occupied by persons and families with income that is not more than sixty per cent of the area median income for the municipality in which it is located, as determined by the United States Department of Housing and Urban Development, or (ii) such multifamily dwelling is determined to be affordable housing by the Public Utilities Regulatory Authority in consultation with the Department of Energy and Environmental Protection, Department of Housing, Connecticut Green Bank, Connecticut Housing Finance Authority and United States Department of Housing and Urban Development. In the case of a multifamily dwelling consisting of five or more units, a generation project shall only qualify under this subsection if: (I) Each of the dwelling units receives an appropriate share of the benefits from the generation project, and (II) no greater than an appropriate share of the benefits from the generation project is used to offset common area usage. The Public Utilities Regulatory Authority shall initiate an uncontested proceeding to implement the distribution of the benefits from the generation project pursuant to this section.